



**Joint Comments of the Rhode Island Office of Energy Resources and the  
Rhode Island Division of Public Utilities & Carriers in Docket #4755  
re: National Grid's proposed 2018 Energy Efficiency Program Plan**

**November 20, 2017**

The Rhode Island Office of Energy Resources (OER) and the Rhode Island Division of Public Utilities & Carriers (DPUC) jointly submit these comments in regard to the 2018 Energy Efficiency Program Plan (the EE Plan) filed by National Grid on November 1, 2017.

OER and DPUC support the 2018 EE Plan as submitted by National Grid and encourage the Commission to approve the Plan as filed. Both OER and DPUC believe that the 2018 EE Plan is the result of substantial, well-informed negotiations among all settling parties and presents an equitable, cost-effective portfolio of energy saving strategies and investments that will reduce consumption across all customer types, and keep Rhode Island at the forefront of energy efficiency delivery and innovation.

Enlightened by active engagement with the Energy Efficiency & Resource Management Council (EERMC), the EERMC Consultant Team, National Grid, and Collaborative members, OER and DPUC offer the following detailed comments on the 2018 EE Plan.

Overall Comments on the 2018 EE Plan

The 2018 EE Plan is the beginning of a longer-term transformation of Rhode Island's energy efficiency programs. As the lighting market fully converts to LED, the value of conventional approaches to energy efficiency will need to be evaluated against new approaches to achieve meaningful energy and capacity reductions. For this reason, the 2018 EE Plan initiates multiple pilots and supports broader state policies that are meant to inform program changes for 2019 and beyond. Specifically, OER and DPUC applaud National Grid's forward-looking perspective on delivered fuel weatherization incentives, improved integration of energy efficiency financing options, new construction zero energy buildings, the delivery of air-source heat pump technologies, and on-going coordination with the state's Power Sector Transformation initiative. In particular, the 2018 EE Plan includes:

- Energy saving goals that are higher than those proposed in the 2018-2020 Three-Year Plan. These higher savings goals, although primarily caused by the results of recently-completed evaluation studies, showcase a dedication to setting aggressive levels of energy savings that will save Rhode Islanders money, spur economic growth, and improve our environment;
- Equitable budget cuts across all sectors, except income eligible, to comply with the budget cap established by the General Assembly for 2018. OER and DPUC are pleased that income-eligible customers were shielded from program scale-backs, while ensuring that cuts were shared by the resident and commercial sectors in a balanced manner. Also, we applaud National Grid and fellow stakeholders for committing to preserve pilot initiatives that will keep program innovation on track for 2019 and 2020.
- Increased weatherization incentives for delivered fuels customers. Although parity with natural gas customers was not achievable in 2018 due to budget constraints, the proposed incentive level increase from 25% to 50% is a significant step toward a fuel-blind energy efficiency future. The facilitation of weatherization across *all* customers will also support reductions in greenhouse gas emissions consistent with state policy goals;



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- Strong commitments are made to improve the use of available energy efficiency financing programs such as C-PACE and the Efficient Buildings Fund (EBF). Specific efforts to test and optimize the bundling of direct incentives with financing will be pursued as a potential means of decreasing the cost of delivering energy efficiency;
- Other pilots, such as the installation of air-source heat pumps and a zero-energy new construction project look to improve the long-term built environment in Rhode Island. These pilots, though not large enough to offer substantial energy savings in 2018, will lay the foundation for more robust beneficial electrification offerings in 2019 and beyond; and
- Lastly, commitments to continue supporting and coordinating with State initiatives, such as the development of Rhode Island's stretch codes, building benchmarking, and outcomes of the Power Sector Transformation initiative, are also included in the 2018 EE Plan. In particular, OER and DPUC would like to commend the automatic benchmarking of commercial buildings through Portfolio Manager, the utility's continued support for expanding the state's appliance standards, and the Company's willingness to review energy efficiency program incentive mechanisms for 2019 based on the outcomes of the Power Sector Transformation initiative.

OER and DPUC look forward to working with National Grid and other key stakeholders throughout 2018 on the efforts described above. Through the approval and implementation of the 2018 EE Plan, we are confident that Rhode Island can improve upon its status as a national energy efficiency leader, while providing substantial economic, energy, and environmental benefits to Ocean State residents and businesses.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Carol J. Grant".

Carol J. Grant  
Commissioner  
Office of Energy Resources

A handwritten signature in black ink, appearing to read "Macky McCleary".

Macky McCleary  
Administrator  
Division of Public Utilities & Carriers